



U.S. Immigration
and Customs
Enforcement

News Release

April 14, 2006

**Operators of Baltimore's Kawasaki restaurants plead guilty to
harboring /employing illegal aliens and money laundering**
-- Defendants agree to forfeit more than \$1 million in illegally-derived assets --

BALTIMORE, MD -- **Tzu Ming Yang**, age 48, and **Jack Chang**, age 41, both of Clarksville, Maryland, pleaded guilty today to conspiracy to commit alien harboring and conspiracy to engage in money laundering, in connection with the employment of illegal aliens of various nationalities in residences and restaurants they owned and rented, announced United States Attorney for the District of Maryland Rod J. Rosenstein. Yang's wife, **Jui Fan Lee Yang**, age 49, pled guilty to employment of illegal aliens.

"This is a case about employers who lined their pockets and gained an unfair advantage over their competitors by systematically exploiting illegal aliens, keeping them in substandard living and working conditions and paying them under the table," said United States Attorney Rod J. Rosenstein. "Individuals who prey upon alien workers should expect that assets derived from their illegal activities will be forfeited."

Julie L. Myers, Assistant Secretary for U.S. Immigration and Customs Enforcement (ICE), said, "Targeting the profits of illegal alien employment schemes is a tactic ICE is adopting nationwide. In this case, the operators of Baltimore's best-known sushi restaurants exploited cheap, illegal labor to maximize profits so they could purchase luxury vehicles and other assets for themselves. Today, these defendants have pleaded guilty. Their assets are the property of the U.S. government."

"Money laundering is not a victimless crime. Not only are innocent people 'duped' by various schemes, but the underground, untaxed economy harms the entire nation's economic strength," said Rick A. Raven, Special Agent in Charge, Internal Revenue Service, Criminal Investigation.

According to the agreed upon statement of facts presented to the court as part of their plea agreements, Tzu and Jui Yang operated: 1) **Kawasaki Restaurant** located at 413 North Charles Street, Baltimore; 2) **Kawasaki at Johns Hopkins Hospital** located at 600 North Wolfe Street, Baltimore; and together with Chang, 3) the **Kawasaki Café** located at 907 South Ann Street, Baltimore.

Tzu Yang housed aliens and undocumented workers employed by Kawasaki Restaurant at 413 North Charles Street. Tzu Yang and Chang housed aliens and undocumented workers employed by Kawasaki Café at 514 South Chapel Street.

From January 1997 to March 2006, Tzu Yang and Chang conspired to harbor between six and 24 aliens in residences and businesses they owned, knowing that these aliens had entered the United States in violation of law.

The defendants required the aliens and undocumented workers to work more than 40 hours a week and paid them in cash amounts substantially less than required by law. The defendants did not pay employee benefits or make the required tax payments on behalf of their employees. As much as 75% of the workforce was comprised of illegal aliens.

From January 1997 to March 2006, Jui Yang conspired with Tzu Yang and Chang to employ individuals at the three restaurants knowing that these individuals were aliens who had not been lawfully admitted into the United States and who had not been authorized for employment.

Luxury vehicles & property purchased with illegally-derived funds

In January 2003, three bank accounts were established for the operating expenses of the three restaurants. From January 2003 through August 2005, monies from these operating bank accounts were deposited into various other bank accounts held by the defendants.

The defendants used these monies to pay the mortgages on the 413 North Charles Street and 514 South Chapel Street properties which were owned by companies formed by the various defendants, and for “rent” on the 514 South Chapel Street property. Defendants also purchased the following vehicles using these monies: 2005 Mercedes C240 for \$36,809; 2005 Audi A for \$39,702; 2003 Lexus LS 430 for \$57,648; 2002 Lexus RX 300 for \$39,244; and two 2000 Chevrolet Astro vans.

Additionally, monies from the Kawasaki Café operating account were used to purchase property located at 1535 Melton Road, Timonium, Maryland. Tzu Yang and Chang conspired to conduct financial transactions involving the proceeds of unlawful activities in connection with the employment of numerous aliens at the restaurants in order to promote the carrying on of the unlawful activities, and knowing that the transactions were designed to conceal the ownership of the proceeds of the unlawful activities.

As part of their plea agreements, the defendants agreed to forfeit approximately \$386,000 in cash, the 514 South Chapel Street and 1535 Melton Road properties, and the vehicles, for a total estimated value of more than \$1 million. The plea agreements do not resolve any civil tax liabilities of the defendants.

Tzu Yang and Chang face a maximum sentence of 20 years in prison on the money laundering conspiracy charge, and 10 years in prison for conspiracy to commit alien harboring. Jui Yang faces a maximum sentence of 6 months in prison for employing illegal aliens and a \$3000 fine for each illegal alien employed. U.S. District Court Judge Catherine C. Blake did not set a date for sentencing.

United States Attorney Rod J. Rosenstein praised the investigative work performed by U.S. Immigration and Customs Enforcement and the Internal Revenue Service – Criminal Investigation. Mr. Rosenstein thanked Assistant U.S. Attorney Steven H. Levin, who is prosecuting the case.

ICE

U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.